

**Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

1. (Currently Amended) A method for modifying the operation of a vending machine operable for the vending products, the vending machine having a cabinet and a door defining an inner cavity for holding commercial products for vending, and having an opening inside of said cabinet formerly receiving a bill validating device, said vending machine also having a vending machine controller to control the operation of the vending machine based on a standardized vending machine protocol program, said protocol program allowing said vending machine to receive at most a five dollar denomination bill and provide coins as change to complete any vending transaction, the method comprising:

upgrading a money handling system including a coin acceptor/changer by installing into said cabinet a bill acceptor-dispenser disposed in the opening formerly receiving the bill validation device, said bill acceptor-dispenser configured for both receiving and dispensing paper currency money; and being of a size and configuration to be received within said cabinet in the space and location provided for a bill validating device;

the structure and operation of said bill acceptor-dispenser including:

a validator for determining the authenticity, and denomination, of notes inserted into said bill acceptor-dispenser as payment in a vending transaction and for generating signals for each received note;

a processor for receiving the validator signals and communicating with said vending machine controller a signal indicative of the denomination of each received one dollar or five dollar note, and for communicating a signal indicative of a five dollar note to said vending machine controller upon receipt of a note having a denomination greater than five dollars;

a note box for receiving and holding notes received as payment in a vending transaction by said bill acceptor-dispenser;

a note hopper for receiving and storing notes received as payment in a vending transaction and selected to be dispensed as change in a later vending transaction by said bill acceptor-dispenser; and

a transportation unit for transporting and directing notes determined to be authentic to one of said note box and said note hopper and dispensing notes as change in a vending transaction from said note hopper;

said coin acceptor/changer receiving and validating coins and generating a signal signifying receipt and value of received coins, said signal being directed to said vending machine controller; and

programming said processor of said bill acceptor-dispenser with a program receiving as an input a signal from said validator indicative of the actual denomination of the note received and a signal from said vending machine controller indicative of the amount of change to be dispensed as coins by said coin acceptor/changer, said processor then determining the amount of change to be dispensed as coins and the amount to be dispensed as paper currency and outputting a control signal indicative of the notes to be dispensed by said bill acceptor-dispenser which controls the disbursement of currency and a signal to said coin acceptor/changer indicative of the amount of coins to be dispensed by said vending machine for the completion of a vending transaction.

2. (Previously Presented) The method of claim 1 wherein said bill acceptor-dispenser further comprises:

using a memory associated with said validator and said processor for maintaining a running accounting of the number and denominations of the notes contained in said note hopper.

3. (Previously Presented) The method of claim 1 wherein said bill acceptor-dispenser further comprises:

a unit controller for controlling the operation of the bill acceptor-dispenser, said unit controller being capable of changing the characteristic used for directing notes to said note hopper.

4. (Previously Presented) The method of claim 3 wherein said processor is included in said unit controller, said unit controller further calculating the number of notes to be dispensed from said note hopper and the number of coins to be dispensed from said coin hopper to provide a combination of notes and coins to total an amount to be dispensed following the vending of an item.

5. (Previously Presented) The method of claim 4 wherein said processor runs a Control Program, said Control Program being capable of communicating with the vending machine controller and controlling the display of information to a user indicating the acceptability of bill denominations.

6. (Previously Cancelled)

7. (Previously Cancelled).

8. (Previously Cancelled).

9. (Currently Amended) The method of claim 1 wherein said bill acceptor-dispenser further comprises:

a bezel assembly having an opening for allowing the insertion of notes into said bill acceptor-dispenser, said bezel assembly also having a display to provide a visual indication of the at least one bill denomination of notes that said bill acceptor-dispenser will accept.

10. (Cancelled) ~~The method of claim 9 wherein said display to provide a visual indication of the denomination of notes that said bill acceptor-dispenser will accept is oriented on a runway surface of said bezel assembly.~~

11. (Cancelled) ~~The method of claim 9 wherein said display to provide a visual indication of the denomination of notes that will be accepted is oriented on a surface adjoining a runway surface of said bezel assembly.~~

12. (Previously Presented) The method of claim 5 wherein said bill acceptor-dispenser further comprises:

a bezel assembly having an opening for allowing the insertion of notes into said bill acceptor-dispenser, said bezel assembly also having a display to provide a visual indication of the denomination of notes that said Control Program will allow to be accepted.

13. (Cancelled) ~~The method of claim 12 wherein said display to provide a visual indication of the denomination of notes that said Control Program will allow to be accepted is oriented on a runway surface of said bezel assembly.~~

14. (Cancelled) ~~The method of claim 12 wherein said display to provide a visual indication of the denomination of notes that said Control Program will allow to be accepted is oriented on a surface adjoining a runway surface of said bezel assembly.~~

15. (Previously Cancelled).

16. (Previously Cancelled).

17. (Previously Cancelled).

18. (Currently Amended) A method for using a vending machine for vending products, the method comprising:

providing a cabinet and a door defining an inner cavity for holding commercial products for vending, and including an opening for receiving a bill validator,

using a vending machine controller for controlling the operation of the vending machine based on a standardized vending machine protocol program, said protocol program allowing said vending machine to receive at most a five dollar denomination bill and provide coins as change to complete any vending transaction;

using a money handling system including a coin acceptor/changer and a bill acceptor-dispenser for receiving and dispensing money, the bill acceptor-dispenser disposed in the opening for receiving the bill validator;

~~said money handling system being of a size and configuration to be received within said cabinet in the space and location provided for a bill validating device;~~

    said bill acceptor-dispenser using comprising:

        a validator for determining the authenticity, and denomination, of notes inserted into said bill acceptor-dispenser as payment in a vending transaction and for generating signals for each received note;

        a processor for receiving the validator signals and communicating with said vending machine controller;

        a note box configured to receive and hold notes received as payment in a vending transaction by said bill acceptor-dispenser;

        a note hopper for storing notes received as payment in a vending transaction and selected to be dispensed as change in a later vending transaction by said bill acceptor-dispenser; and

        a transportation unit for directing notes determined to be authentic to one of said note box and said note hopper and for dispensing notes from said note hopper as change in a vending transaction;

    said coin acceptor/changer receiving and validating coins and generating a signal signifying receipt and value of received coins to said vending machine controller; and

    programming said processor of said bill acceptor-dispenser with a program receiving as an input a signal from said validator indicative of the actual denomination of the note received and a signal from said vending machine controller indicative of the amount of change to be dispensed as coins by said coin acceptor/changer, said processor then determining the amount of change to be dispensed as coins and the amount to be dispensed as paper currency and outputting a control signal indicative of the notes to be dispensed by said bill acceptor-dispenser which controls the disbursement of currency and a signal to said coin acceptor/changer indicative of the amount of coins to be dispensed by said vending machine for the completion of a vending transaction.

19. (Previously Presented) A bill acceptor-dispenser for receiving and dispensing money in a vending machine for vending commercial products, said vending machine having a

vending machine controller for controlling the operation of the vending machine based on a standardized vending machine protocol program allowing acceptance of first value notes in denominations only up to a first value limitation and a coin acceptor/changer for receiving and validating coins and generating a signal signifying receipt and value of received coins to the vending machine controller;

the bill acceptor-dispenser disposed in an opening designed for receiving a bill validator, said bill acceptor-dispenser comprising:

a validator for sensing data relating to the authenticity, denomination, and type of note inserted into said validator as payment in a vending transaction and for generating signals corresponding to the sensed data for each received note;

a processor controlling the validation, acceptance and recognition of second value notes received as payment in a vending transaction up to a second value exceeding said first value limitation and for receiving and comparing said sensed data signals with stored data to validate the authenticity of said second value notes and for generating a signal signifying receipt and a designated value of said second value note within the first value limitations of the standardized protocol to said vending machine controller;

a note box configured to receive and hold notes received by said bill acceptor-dispenser as payment in a vending transaction, and having a memory device attached to said note box;

a note hopper for storing notes received by said bill acceptor-dispenser as payment in a vending transaction and for providing change for a later vending machine transaction;

a transportation unit for directing said notes determined to be authentic to one of said note box and said note hopper and for dispensing notes as change from said note hopper in response to a signal from said processor; and

programming said processor of said bill acceptor-dispenser with a program receiving as an input a signal from said validator indicative of the actual denomination of the note received and a signal from said vending machine controller indicative of the amount of change to be dispensed as coins by said coin acceptor/changer, said processor then determining the amount of change to be dispensed as coins and the amount to be dispensed as paper currency and outputting a control signal indicative of the notes to be dispensed by said bill acceptor-dispenser which controls the disbursement of currency and a signal to said coin acceptor/changer indicative of the

amount of coins to be dispensed by said vending machine for the completion of a vending transaction.

20. (Previously Presented) A vending machine comprising:
- a cabinet for storing commercial products to be sold and having an opening for receiving a bill validator;
  - a vending machine controller for controlling the operation of the vending machine based on a standardized vending machine protocol program for accepting first value notes in denominations only up to a first value not exceeding five dollars;
  - a coin acceptor/changer for accepting and validating coins and dispensing coins as change upon command, said coin acceptor/changer located within said vending machine;
  - a bill acceptor-dispenser disposed in the opening for receiving the bill validator, the acceptor-dispenser for accepting and validating notes received as payment in a vending transaction, storing selected notes in a dispensable fashion for use as change in a later vending machine transaction and storing all other received notes received as payment in a vending transaction in a non-dispensable fashion,
  - said bill acceptor-dispenser being within said vending machine and electrically coupled to said vending machine controller and said coin acceptor/changer for controlling the dispensing of coins and notes as change-provided by said vending machine;
  - a Control Program controlling the validation, acceptance and recognition of notes up to a second value exceeding said first value and for controlling the denominations of notes to be accepted by said bill acceptor-dispenser based upon the availability of notes held in a dispensable fashion and receiving as an input a signal indicative of the actual denomination of the note received and a signal from said vending machine controller indicative of the amount of change to be dispensed as coins by said coin acceptor/changer, said Control Program then determining the amount of change to be dispensed as coins and the amount to be dispensed as paper currency and outputting a control signal indicative of the notes to be dispensed by said bill acceptor-dispenser which controls the disbursement of currency and a signal to said coin acceptor/changer indicative of the amount of coins to be dispensed by said vending machine for the completion of a vending transaction.